

StoneCastle Cash Management, LLC (“StoneCastle”) works with a number of non-depository administrators/custodians seeking pass through deposit insurance for large cash balances resulting from many underlying client accounts.

## Overview of Roles & Responsibilities

### Depository Bank

- Open a single, omnibus deposit account established at your bank in the name of the administrator/custodian
- Provide online account access
- Provide a monthly statement

### StoneCastle

- Assist in forming long-term relationships between banks and non-depository custodians that provides their underlying client accounts
  - A reasonable rate of return on this cash
  - Preservation of principal
  - Liquidity
- Conducts ongoing credit analysis and other diligence on behalf of the administrator/custodian

### Administrator

- Nets the deposits and withdrawals of its client accounts
- Ensure the end-of-day balance is always in compliance with the contractually agreed upon levels

## How Does BIDS Work?

- StoneCastle helps to match the needs of the custodian/administrator with the funding needs of potential depository banks
- The relationship is governed by a direct contractual agreement between the bank and administrator. The contract sets terms such as: deposit size, yield, and tenor (typically 1-7 years)
- Balances will be deposited within a single omnibus account at the bank, opened under the name of the administrator

## Why Should I Use BIDS?

- The granular nature of the accounts helps ensure the stability of the overall deposit base while introducing the bank to a new, large and diverse depositor base
- Flexible deposit amounts: \$50 million to \$500+ million per administrator
- StoneCastle has advised on more than \$5 billion of deposit funding for our administrator relationships
- Favorable deposit treatment under Federal Regulation C.F.R. § 3376

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